

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of China Merchants Holdings (International) Company Limited will be held on 5 June 2002 (Wednesday) at 9:30 a.m at Level 5, Tianshan Room, Island Shangri-La, Pacific Place, Supreme Court Road, Hong Kong for the following purposes:

As Ordinary Business:

- 1 To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 2001.
- 2 To declare a final dividend for the year ended 31 December 2001.
- 3 To re-elect the retiring Directors and to authorise the Board to fix the remuneration of Directors.
- 4 To re-appoint Auditors and to authorise the Board to fix their remuneration.

And as Special Business, to consider and, if thought fit, to pass the following resolutions:

### ORDINARY RESOLUTIONS

- 5 “THAT:
  - (a) subject to paragraph (c) of this Resolution and pursuant to section 57B of the Companies Ordinance, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or options, warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
  - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue; (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to directors and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

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(d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6 “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution and the said approval shall be limited accordingly; and

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(c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

7 “THAT conditional upon Resolutions numbered 5 and 6 set out in the notice convening this meeting being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the company under the authority granted to the Directors of the Company as mentioned in Resolution numbered 6 set out in the notice convening this meeting shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to Resolution numbered 5 set out in the notice convening this meeting, provided that the amount of share capital repurchased by the Company shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution.”

### SPECIAL RESOLUTION

8 “THAT:

(a) Article 1(6)(a) of the Company’s Articles of Association be deleted and replaced by the following:

“(a) references to writing include references to typewriting, printing, lithography, photography facsimile, telex messages, electronic means of communication and any other modes of representing or reproducing words in a legible and non-transitory form;”;

(b) Article 130 of the Company’s Articles of Association be deleted and replaced by the following:

“130. A copy of the Directors’ and auditors’ reports accompanied by copies of the balance sheet and every document required by the Ordinance to be annexed to the balance sheet and profit and loss account or income and expenditure account shall, not less than twenty-one clear days before the annual general meeting before which they are to be laid, be sent to every member and holder of debentures of the Company, and to the auditors; provided that this Article shall be subject to Article 130B and shall not require a copy of those documents to be sent to any person of whose address the Company is not aware, to more than one of the joint holders of any shares or debentures, nor to any person to whom the Company has duly sent a copy of a summary financial report (as defined in the Ordinance) in accordance with the provisions of the Ordinance and Article 130A. If all or any of the shares in or debentures of the Company are listed or dealt in on any stock exchange, there shall at the time be forwarded to the secretary of that stock exchange such number of copies of each of those documents as may be required by the regulations of that stock exchange.”;

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- (c) the following Article 130A be added to the Company's Articles of Association:

"130A. Subject to Article 130B, a copy of a summary financial report in the form and containing the contents as required by the Ordinance shall be sent by the Company in accordance with the provisions of the Ordinance to a person who has been offered and agreed, in accordance with the provisions of the Ordinance, to be sent a copy of such summary financial report.";

- (d) the following Article 130B be added to the Company's Articles of Association:

"130B. Where a person has, in accordance with the provisions of the Ordinance where applicable, consented to treat the publication or the making available of the relevant financial documents and/or the summary financial report (each as defined in the Ordinance) on a computer network or by such other means as discharging the Company's obligation under the Ordinance to send a copy of the relevant financial documents and/or the summary financial report (each as defined in the Ordinance), then the publication or the making available by the Company, in accordance with the provisions of the Ordinance where applicable, on such computer network or by such other means of the relevant financial documents or the summary financial report (each as defined in the Ordinance) shall, in relation to each consenting person, be deemed to discharge the Company's obligations under Article 130 and/or Article 130A.";

- (e) Article 132 of the Company's Articles of Association be deleted and replaced by the following:

"132. Any notice, document or communication to be given or issued by the Company shall be in writing in any one or more languages to the members, may be served by the Company upon any member either personally or by sending it by mail, postage prepaid, addressed to such member at his registered address or leaving it at that address, and in any case where the registered address of a member is outside Hong Kong, by prepaid airmail, or may be delivered, sent or otherwise made available using electronic or other means to such member. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within Hong Kong may either give to the Company an address within Hong Kong or an address outside Hong Kong and notices may be sent to him at either address."

- (f) Article 135 of the Company's Articles of Association be deleted in its entirety;

- (g) Article 136 of the Company's Articles of Association be deleted in its entirety and replaced by the following:

"136. Subject to these Articles and any restriction under the Ordinance or any rule of the Stock Exchange, any notice to be given by the Company to the members or any of them shall be sufficiently given if Published in the Newspapers."

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- (h) the following Article 137A be added to the Company's Articles of Association:

"137A. A notice sent by way of electronic means shall be deemed to have been given at the time when the notice was either sent as an electronic mail or posted on the official website of the Company.";

- (i) Article 138 of the Company's Articles of Association be deleted and replaced by the following:

"138. Any notice, document or communication delivered or sent by mail to, or left at the registered address of or made available using electronic or other means to any member, in pursuance of these Articles, shall, notwithstanding such member be then deceased or bankrupt, and whether or not the Company have notice of his decease or bankruptcy, be deemed to have been duly served in respect of any shares held by such member, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice, document or communication on his executors, administrators or assigns and all persons (if any) jointly interested with him in any such share."

By order of the Board

**Dr. Fu Yuning**

*Chairman*

Hong Kong, 22 April 2002

Notes:

- 1 Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- 2 In order to be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of attorney or authority, must be deposited at the Company's registered office at 38th Floor East, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting.
- 3 The register of members of the Company will be closed from 30 May 2002 to 5 June 2002, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend to be approved at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Central Registration Hong Kong Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 29 May 2002.
- 4 Concerning resolutions numbered 5 and 7 above, the Directors wish to state that they have no immediate plans to issue any new shares in the Company. The ordinary resolution is being sought from members as a general mandate in compliance with section 57B of the Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange.
- 5 Concerning resolution numbered 6 above, the Directors wish to state that they have no immediate plans to repurchase any existing shares pursuant to the relevant mandate. Approval is being sought from members as a general mandate to be given to the Directors to repurchase shares. The Explanatory Statement required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in connection with the proposed repurchase mandate will be despatched to members together with the notice of the meeting.
- 6 Concerning resolution numbered 8 above, as the Articles only exist in English, the English text of the relevant proposed resolution shall prevail over the Chinese text. The purpose of the amendments to the Articles is to take advantage of the amendments to the Companies Ordinance and to the Listing Rules which provide the Company with the flexibility to offer members the choice of receiving a summary financial report in place of the full annual report and accounts and the choice of receiving financial documents and/or other corporate communication via electronic means. The Company currently has no definitive plan in preparing summary financial reports and sending them to members in place of full annual report and accounts nor delivering financial documents and/or other corporate communication via electronic means. Any decision to prepare and send summary financial reports or to deliver financial documents and/or other corporate communication via electronic means will only be made after ascertaining the wishes of members and in full compliance of the relevant provisions of the Companies Ordinance and the Listing Rules. An explanation for the proposed amendments to the Articles is contained in the section headed "Corporate Governance and Social Responsibility" in the 2001 Annual Report of the Company.